

ORDINANCE NO. 2015-22

Amend Personnel Ordinance HR0310, Applicable Pay Rates for New Employees and HR0690, Vacation with Pay, to provide vacation to new hires

Executive Summary

Recruitment and retention of qualified employees is becoming more difficult due to changing market conditions and higher qualifications necessary to perform mandated services.

Additional wages and/or paid-time off are two strategies to remain competitive with other public and local employers. For certain positions, it has become necessary to increase starting wages by offering additional or accelerated step increases to attract experienced and qualified employees. Changes to a pay structure need to be flexible enough to respond to future market condition fluctuations. Providing the County Administrator and Human Resources Director the authority to offer hire-on, retention, performance or other bonuses is a significant step toward addressing this problem.

Furthermore, currently, new employees hired by Jefferson County receive no vacation in the calendar year in which they are hired. In the succeeding year, employees receive a prorated two-weeks of vacation, based on the hours worked the previous year. For example, a full-time employee hired on March 1 receives no paid time off for 10 months. On January 1 of the succeeding year, the employee receives 66.75 hours of vacation, or about 1 ½ weeks of paid time off.

In terms of recruitment, job seekers are considering more than just wages when selecting a new employer. It has become more and more challenging to hire employees with the County's current vacation accrual schedule. This is demonstrated by the impending need to offer additional vacation time upon hire under HR0310, Applicable Pay Rates for New Employees. The additional vacation time has been needed not only for professional and management positions, but entry level positions as well.

It is the recommendation of the Human Resources Committee to address identified recruitment and retention issues by providing the County Administrator flexibility with offering bonuses and to address the County's Vacation with Pay Ordinance and the immediate need to provide vacation time to new employees.

WHEREAS, Jefferson County recognizes that the services provided to the public would not be possible without competent and experienced employees, and

WHEREAS, the current Vacation with Pay Ordinance is impeding the County from always hiring the best, qualified candidates to serve the residents of Jefferson County.

NOW, THEREFORE, BE IT RESOLVED that the Human Resources Committee supports and recommends the amendment of Section HR0310, Applicable Pay Rates for New

Employees and HR0690, Vacation with Pay, to provide vacation to new hires and newly eligible employees.

THE COUNTY BOARD OF SUPERVISORS OF JEFFERSON COUNTY DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Section HR0310, Applicable Pay Rates for New Employees, is amended as follows:

HR0310 **APPLICABLE PAY RATES FOR NEW EMPLOYEES.** Whenever it is appropriate and possible, new employees shall be hired at the minimum step of the pay range. If, because of remarkably higher levels of education, experience, or difficult market conditions (as may be evidenced by difficulty in recruiting), the candidate will require a salary beyond the minimum, the County Administrator or Human Resources Director may authorize an advanced starting salary and additional benefits; (such as additional or accelerated step increases; hire-on, retention, performance or other bonuses; immediate health insurance; or additional weeks of accrued paid time off (vacation, sick, holiday, random, compensatory time) vacation). A report to the Human Resources Committee will be given summarizing the exceptions. Consideration must be given to the current compensation of other employees in the same classification, if applicable, to maintain internal pay equity. It is not in the County's best interests to promote a practice of hiring employees higher in the range and then adjusting current incumbents' pay thereafter. Department heads are not authorized to make compensation or benefit offers to potential candidates that exceed the entry-level step.

Section 2. Section HR0690, Vacation with Pay, is amended as follows, creating sections B (1) and B (6) and renumbering remaining sections:

HR0690 **VACATION WITH PAY.**

- A. Vacation week means that number of days customarily worked by an employee in the service of the County in a normal 7-day week. Vacation day means that number of hours customarily worked by an employee in the service of the County in a normal 24-hour day. Notwithstanding the foregoing, department heads may require part-time employees to take vacation days in blocks of 5. [am. ord. 85-7, 6/11/85]
- B. Vacation eligibility shall be determined ~~on the basis of length of continuous service of each employee as of January 1 of each calendar year. Eligible employees shall be entitled to paid annual vacation leave as follows:~~
 - 1. New employees working more than half-time and employees who change from less-than-half-time status to more-than-half-time or full-time status shall immediately

be advanced vacation at the rate of 5/6ths of a day per month or major fraction thereof for each month remaining in the calendar year following their first paid day of work, prorated on the employees' full-time equivalent status. As of January 1 of the following year, employees shall be advanced a total of 2 vacation weeks, prorated on the employee's full-time equivalent status. Employees who terminate employment, voluntarily or involuntarily, with less than 12 consecutive calendar months of employment or of making a status change, shall pay back and/or forfeit all advanced vacation at the rate of 5/6ths of a day per month or major fraction thereof for each month remaining in the calendar year. If the employee has received the 2-weeks (80 hours) of advancement in a new calendar year, the employee shall pay back and/or forfeit the 80 hours of advanced vacation less the vacation accrued at 5/6ths of a day per month or major fraction thereof for each month served from January 1 through the termination date. Any vacation paid back shall be through a reduction in the payout of accrued benefits or through a deduction from the employee's final paycheck.

- 1.2. Employees with 12 or more complete consecutive calendar months of service, but less than 6 years of service shall earn vacation at the rate of 5/6ths of a day per month or major fraction thereof for each month of service. 12 Twelve months shall equal 2 vacation weeks. [am. ord. 2006-30, 03/13/07]
- 2.3. Employees with more than 6 years of service but less than 13 years of service shall earn vacation at the rate of 5/4ths of a day per month or major fraction thereof for each month of service. Twelve 12 months shall equal 3 vacation weeks. [am. ord. 2006-30, 03/13/07]
- 3.4. Employees with more than 13 years of service but less than 19 years of service shall earn vacation at the rate of 5/3rds of a day per month or major fraction thereof for each month of service. Twelve 12 months shall equal 4 vacation weeks. [am. ord. 2006-30, 03/13/07]
- 4.5. Employees with more than 19 years of service shall earn vacation at the rate of 2-1/12 days per month or major fraction thereof for each month of service. Twelve 12 months shall equal 5 vacation weeks. [cr. ord. 85-7, 6/11/85; am. ord. 2006-30, 03/13/07]
6. Employees rehired within two years (24 months) of separation of employment shall be credited with years of service at time of separation for vacation accrual purposes as stated above.

- C. Upon recommendation of the County Administrator or Human Resources Director, the Human Resources Committee may approve starting a new employee at an earning rate other than two-weeks per year, not to exceed three-weeks per year, by crediting the employee with the appropriate number of years of service for vacation purposes only. [am. ord. 2012-26, 2/12/2013]
- D. Under rare and/or catastrophic circumstances, employees who have completed their qualifying period may borrow against *next* year's vacation already accrued with approval of the department head, Human Resources Director and County Administrator. [am. 12/13/11, ord. 2011-21]
- E. Department heads shall have full responsibility and discretion for setting vacation periods for all employees under their supervision during the calendar year. In doing so the department head shall be guided by the good of the County service and orderly conduct of the work and functions of each particular department. Department Heads shall monitor accrual balances to ensure that each employee has a reasonable opportunity to use accrued vacation. [renumbered 12/13/11, ord. 2011-21; am. ord 2012-26, 02/12//2013]
- F. All employees shall be encouraged to make use of earned vacation time in accordance with the provisions of this ordinance. Any employee who is given a reasonable opportunity to take earned vacation and who does not do so shall be deemed to have waived said vacation and shall not be entitled to compensation thereof. An employee may, with department head, Human Resources Director and County Administrator approval, carry over a maximum of 40 hours vacation time which shall be used by December 31 of the succeeding year, or be forfeited. Requests to carry over vacation must be made to the Human Resources Department no later than December 15, and include the maximum number of hours to carry over and the reason(s) the employee was unable to use the accrued vacation time. The Administration and Rules Committee shall decide any request made by the County Administrator. [am. ord. 2005-43, 02/14/06; am. ord. 2007-50, 03/11/08; renumbered 12/13/11, ord. 2011-21; am. ord 2012-26. 02/12/2013]
- G. Employees who have 8 hours or less in their vacation bank on December 31 shall be able to carry over this time, with department head approval, to be used by January 20 or be forfeited. [02/11/2014, ord 2013-25]
- H. Hours in excess of 40 may be considered for carry over only for employees whose vacation was cancelled by the County during the month of December. If this occurs, a written request shall be made by the employee, approved by the department head, and submitted to Human Resources no later than January 5 of the succeeding year. The County Administrator shall consider all requests and if

approved, will determine when the vacation shall be used by, or forfeited. [renumbered 02-11-2014, ord 2013-25]

- I. A report summarizing approved requests shall be made to the Human Resources Committee. [renumbered 02-11-2014, ord 2013-25]
- J. Any employee who has exhausted earned sick leave credits shall be entitled to use earned vacation and compensatory time for sick leave with written permission from the employee only. [renumbered 12/13/11, ord. 2011-21; renumbered 02-11-2014, ord 2013-25]

Section 3. This ordinance shall be effective for employees hired on or after January 1, 2016, grandfathering employees hired in 2015.

Fiscal Note: For most positions, vacation hours are budgeted as regular wages and will not increase a department's payroll expense. For some departments, additional payroll expense may result from overtime incurred due to increased vacation by department staff. The fiscal impact from advanced starting salaries and additional benefits will be determined on a case by case basis and will not be authorized unless adequate funding has been budgeted.

Adopted by the Jefferson County Board of Supervisors this 10th day of November 2015.

s/Jim Schroeder

Jim Schroeder

Chair

ATTEST:

s/Barbara A. Frank

Barbara A. Frank, County Clerk

Published this 17th day of November 2015.

Ayes__27__ Noes__0__ Abstain_____ Absent__2__ Vacant__1__

Ayes 27: Jones, Kelly, Tietz, Buchanan, Morris, Wineke, Rinard, Counsell, Reese, Hartz, Morse, Lund, Nass, Payne, Kutz, Hanneman, Schroeder, Mode, Kannard, Poulson, Jaeckel, Foelker, Patrick, Borland, Schultz, Babcock, Christensen.

Noes 0.

Absent 2: David, Braughler.

Vacant 1: District 24.

Requested by
Human Resources Committee

11-10-15

Terri M. Palm: 9-11-15; 10-11-15; J. Blair Ward: 9-16-15; 10-14-15

REVIEWED: Administrator: BW; Corp. Counsel: JBW; Finance Director: BL